

February 26, 2019

The Honorable Sonny Perdue Secretary U.S. Department of Agriculture 1400 Independence Avenue, SW Washington, D.C. 20250

Dear Secretary Perdue:

We appreciate the technical assistance and counsel the U.S. Department of Agriculture (USDA) provided to members of the Agriculture Committee during the drafting of the Agriculture Improvement Act of 2018, also known as the 2018 farm bill.

The 2018 farm bill was drafted as commodity prices continued multi-year declines which, along with rising input prices and limited agricultural product export opportunities, have created a perfect storm of economic uncertainty in rural America. In fact, in 2018, seven states experienced their highest number of farm bankruptcies in 10 years.

Consequently, timing is of the essence in the delivery and implementation of all farm bill programs, but especially the commodity and conservation title programs. At the request of, and with input from, farmers and ranchers across the country, the 2018 farm bill includes multiple provisions designed to help alleviate many of today's current economic and land stewardship challenges. These programs will help provide much needed certainty for farmers and ranchers as they prepare for the economically challenging 2019 crop year. As USDA is drafting farm bill regulations and policies, we stand ready to work with you and members of your staff to ensure congressional intent is fulfilled.

Of utmost importance and urgency is the implementation of commodity title program changes authorized in the 2018 farm bill. Due to successive years of dropping commodity prices, a high percentage of producers enrolled in the Agriculture Risk Coverage Program through the 2018 crop year will likely need to enroll in the Price Loss Coverage (PLC) Program for the 2019 crop year because of PLC's additional safety net potential under the 2018 farm bill.

Additionally, the 2018 farm bill conservation title programs offer effective economic assistance solutions to many farmers and ranchers. The bill provides voluntary alternatives to farming marginal and less productive land, a new soil health improvement program, a greater focus on targeting enrollment of land that can help improve water quality through a Clear Lakes, Estuaries, and Rivers (CLEAR) initiative, and increased land use opportunities, such as more flexible haying and grazing in the Conservation Reserve Program (CRP) with appropriate safeguards to protect wildlife and avoid damage to cover.

As of October 2018, CRP enrollment stood at 22.46 million acres. An additional 1.6 million acres expire on September 30, 2019, and 7.4 million acres expire by September 30, 2021. As a result. CRP sign-ups must be authorized as soon as possible in 2019 in order to meet the landowner demand to enroll acres and to reduce the number of less productive acres of cropland that contribute to the current overproduction of many commodity crops.

Specifically, a general CRP sign-up is urgently needed no later than mid-2019, and continuous CRP enrollments should be authorized as soon as possible in order to have acres ready to meet the current 24 million acre cap, and to replace the 1.6 million acre drop in CRP enrollment after September 30, 2019, due to expiring contracts. In addition, we request that Conservation Reserve Enhancement Program (CREP) contracts also be immediately re-opened for enrollment.

We ask that you provide us with a timeline and plan for 2018 farm bill implementation and the date that the implementation plan will be available for both commodity and conservation programs. As part of this information, we request that you provide us with USDA's plan to meet the CRP state target acreages and continuous acreage targets, including the CLEAR initiative, that are established under the 2018 farm bill.

Again, we thank you and your staff for your hard work and assistance in drafting and now implementing the 2018 farm bill. We and the members of our staff stand ready to assist you in any way.

Sincerely,

JOHN THUNE **US** Senator

US Senator